

## Message Text

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45

ACTION COME-00

INFO OCT-01 EUR-25 ISO-00 EB-11 L-03 CIAE-00 INR-10

NSAE-00 RSC-01 TRSE-00 JUSE-00 DRC-01 SEC-03 /055 W

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P 191700Z NOV 73

FM AMEMBASSY BERN

TO SECSTATE WASHDC PRIORITY 8420

UNCLAS BERN 4697

E.O. 11652: N/A

TAGS: BCOM SZ

SUBJECT: HOLIDAY MAGIC - SWITZERLAND

1. SUBJECT FIRM REQUESTED EMBASSY ASSISTANCE SINCE IT UNDERSTANDS THAT US PARENT, US UNIVERSAL, FACING BANKRUPTCY.

2. ACCORDING TO COMPANY REPS. US PARENT WHICH HOLDS 95 PERCENT STOCK IN SWISS COMPANY REQUESTED AND RECEIVED LAST YEAR SF 6 MILLION IN RETURN FOR PROMISORY NOTE PAYABLE TO HOLIDAY MAGIC-SWITZERLAND END OF AUGUST 1973. MONEY NOT FORTHCOMING FROM US PARENT AND INDICATIONS ARE THAT SWISS MANAGEMENT HOLDING 5 PERCENT OF STOCK BEING FORCED OUT.

3. ACCORDING TO SWISS COMPANY REPS., A COMMUNITY INTEREST GROUP CONSISTING OF FORMER MANAGEMENT AND SALES PERSONNEL INTERESTED IN ACQUIRING SWISS FIRM FROM PARENT. ALLEGEDLY, VARIOUS OFFERS MADE TO US UNIVERSAL FOR ACQUISITION OF SWISS FIRM INCLUDING TAKE OVER OF HOLIDAY MAGIC OPERATIONS IN ITALY, SPAIN OR FINLAND IN CONSIDERATION FOR THE SF 6 MILLION OWNED SUBSIDIARY OPERATIONS IN SWITZERLAND.

4. SWISS REPS INTERESTED KNOWING WHETHER (A) SEC AWARE OF SF 6 MILLION OWED IT BY US UNIVERSAL? (B) WHETHER SEC AWARE OF TAKE-OVER OPTIONS SUGGESTED BY SWISS SUBSIDIARY? (C) IF ANSWER TO LATTER AFFIRMATIVE, WHETHER SEC KNOWS WHY THEY WERE NOT ACCEPTED BY PARENT COMPANY? FURTHER, IN UNCLASSIFIED

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PASSING ON CURRENT DIFFICULTIES OF US FIRM, CAN SEC MAKE

ANY RECOMMENDATIONS/SUGGESTIONS AS TO COURSE OF ACTION  
SUBSIDIARY OPERATION CAN TAKE WITH REQUEST TO BUYING  
OUT LOCAL OPERATION PLUS ONE OF OTHER COUNTRIES MENTIONED  
ABOVE IN CONSIDERATION OF PARENT COMPANY'S INDEBTEDNESS  
TO SWISS SUBSIDIARY.

5. PLEASE CONVEY FOREGOING TO MR BERGLASS SEC WASHINGTON  
WHO REPORTEDLY IS ACQUAINTED WITH CASE AGAINST US  
UNIVERSAL.

6. ADVISE ASAP.  
DAVIS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** n/a  
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**Copy:** SINGLE  
**Draft Date:** 19 NOV 1973  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Authority:** n/a  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
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**TAGS:** BEXP, SZ  
**To:** STATE  
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